

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF SHELBY ENERGY)	
COOPERATIVE, INC. TO REVISE ITS LARGE)	CASE NO. 2004-00195
INDUSTRIAL RATE SCHEDULES B3 AND C3)	

ORDER

On April 18, 2004, Shelby Energy Cooperative, Inc. ("Shelby") submitted a proposal to revise its large industrial rate schedules B3 and C3. It proposed that these revisions become effective as of June 1, 2004.

The Commission finds that the reasonableness of the proposed revisions requires further investigation, that such investigation cannot be completed by June 1, 2004, and that the proposed revisions should be suspended until October 31, 2004.

IT IS THEREFORE ORDERED that:

1. This proceeding is established to investigate the reasonableness of the proposed revisions.
2. The proposed revisions are suspended up to and including October 31, 2004.

Done at Frankfort, Kentucky, this 27th day of May, 2004.

By the Commission


ATTEST:



Executive Director



Shelby Energy Cooperative, Inc.

Your Touchstone Energy® Partner 

T65-0560
2004-195 RECEIVED
APR 18 2004
PUBLIC SERVICE
COMMISSION

April 16, 2004

Mr. Tom Dorman
Executive Director
Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602

Dear Mr. Dorman:

Enclosed are originals and ten (10) copies of the following revised tariff sheets for Shelby Energy Cooperative:

1. Outdoor and Street Lighting Service - Rate 3
2. Large Industrial Rate Schedule - B1, C1
3. Large Industrial Rate Schedule - B2, C2
4. Large Industrial Rate Schedule - B3, C3
5. Special Outdoor Lighting Service - Rate 33
6. Optional Residential, Church & School - Rate 10
7. Standby Power - Rate 4

The attached direct testimony provides detailed explanation for the changes to each tariff. Additional financial data and calculations are also included for those rates applicable. Should you have any questions or need further information, please contact our office.

Sincerely,



Dudley Bottom, Jr., P.E.
President & CEO

Enclosure

DB:dm

Form for filing Rate Schedule

FOR

All Territory Served

Community, Town or City

P.S.C. NO.

5

3rd Revised Sheet No.

32

Shelby Energy Cooperative, Inc.

Canceling P.S.C. No.

5

Shelbyville, Kentucky

2nd Revised Sheet No.

32

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL RATE SCHEDULE C3

Rate
Per UnitAVAILABILITY:

Applicable to contracts with demands of 10,000 kW and over with a monthly energy usage equal to or greater than 400 hours per kW of contract demand.

MONTHLY RATE:

Consumer Charge

Transformer Size of 10,000 - 14,999 kVa

\$ 2,980.00

N

Transformer Size of 15,000 kVa and greater

\$ 4,730.00

N

Demand Charge per kW

\$ 5.39

Energy Charge per kWh

\$ 0.02484

BILLING DEMAND:

The monthly billing demand shall be the greater of (a) or (b) listed below:

(a) The contract demand

(b) The consumer's peak demand during the current month or preceding eleven months. The peak demand shall be the highest average rate at which energy is used any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:

T

MonthsHours Applicable for
Demand Billing - EST

October through April

7:00 A.M. to 12:00 Noon
5:00 P.M. to 10:00 P.M.

May Through September

10:00 A.M. to 10:00 P.M.

DATE OF ISSUE

April 16, 2004

DATE EFFECTIVE:

June 1, 2004

ISSUED BY

Name of Officer

TITLE

President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____ Dated _____

Form for filing Rate Schedule

FOR

All Territory Served

Community, Town or City

P.S.C. NO.

5

3rd Revised Sheet No.

33

Shelby Energy Cooperative, Inc.

Canceling P.S.C. No.

5

Shelbyville, Kentucky

2nd Revised Sheet No.

33

Name of Issuing Corporation

CLASSIFICATION OF SERVICE**LARGE INDUSTRIAL RATE SCHEDULE C3**Rate
Per UnitMINIMUM MONTHLY CHARGE:

The minimum monthly charge shall not be less than the sum of (a) through (d) below:

(a) Consumer Charge

(b) The product of the contract demand multiplied by the contract demand charge.

(c) The product of the contract demand multiplied by 400 hours and the energy charge per kWh minus the fuel base per kWh.

(d) Contract provisions that reflect special facilities requirements

POWER FACTOR ADJUSTMENT:

The consumer agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of this billing demand is less than 0.90 (90%), the demand for the billing purposes shall be the demand as indicated or recorded, multiplied by 0.90 (90%) and divided by the power factor.

FUEL ADJUSTMENT CLAUSE:

This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056

DATE OF ISSUE

April 16, 2004

DATE EFFECTIVE:

June 1, 2004

ISSUED BY

Name of Officer

TITLE

President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No.

Dated

Form for filing Rate Schedule

FOR

All Territory Served

Community, Town or City

P.S.C. NO.

5

3rd Revised Sheet No.

23

Shelby Energy Cooperative, Inc.

Canceling P.S.C. No.

5

Shelbyville, Kentucky

2nd Revised Sheet No.

23

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL RATE SCHEDULE B3

Rate
Per UnitAVAILABILITY:

Applicable to contracts with demands of 10,000 kW and over with a monthly energy usage equal to or greater than 400 hours per kW of contract demand.

MONTHLY RATE:

Consumer Charge

Transformer Size of 10,000 - 14,999 kVa

\$ 2,980.00

N

Transformer Size of 15,000 kVa and greater

\$ 4,730.00

N

Demand Charges per kW

Contract Demand

\$ 5.39

Billing Demand in Excess of Contract Demand

\$ 7.82

Energy Charge per kWh

\$ 0.02484

BILLING DEMAND:

The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The consumer's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:

T

MonthsHours Applicable for
Demand Billing - EST

October through April

7:00 A.M. to 12:00 Noon
5:00 P.M. to 10:00 P. M.

May Through September

10:00 A.M. to 10:00 P.M.

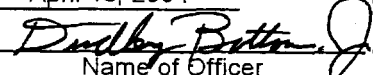
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DATE EFFECTIVE:

June 1, 2004

ISSUED BY



Name of Officer

TITLE

President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No.

Dated

Form for filing Rate Schedule

FOR

All Territory Served

Community, Town or City

P.S.C. NO.

5

1st Revised Sheet No.

24

Shelby Energy Cooperative, Inc.

Canceling P.S.C. No.

5

Shelbyville, Kentucky

Original Sheet No.

24

Name of Issuing Corporation

CLASSIFICATION OF SERVICE**LARGE INDUSTRIAL RATE SCHEDULE B3**Rate
Per UnitMINIMUM MONTHLY CHARGE:

The minimum monthly charge shall not be less than the sum of (a) through (d) below:

- (a) Consumer Charge
- (b) The product of the contract demand multiplied by the contract demand charge, plus the product of the demand in excess of the contract demand multiplied by the in excess of contract demand charge.
- (c) The product of the contract demand multiplied by 400 hours and the energy charge per kWh minus the fuel base per kWh.
- (d) Contract provisions that reflect special facilities requirements

T

POWER FACTOR ADJUSTMENT:

The consumer agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of his billing demand is less than 0.90 (90%), the demand for the billing purposes shall be the demand as indicated or recorded, multiplied by 0.90 (90%) and divided by the power factor.

FUEL ADJUSTMENT CLAUSE:

This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056

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